

MICHIGAN STATE WATERWAYS COMMISSION
REGULAR MEETING

Minutes of the meeting of
February 20, 2004
United States Fish and Wildlife Service Office
2651 Coolidge
East Lansing, Michigan

A regular meeting of the Michigan State Waterways Commission was called to order by Chairman Opolka at 9:00 a.m. on Friday, February 20, 2004, in the United States Fish and Wildlife Service office, East Lansing, Michigan. The following Commissioners were present:

Frank Opolka, Chairman
Curtis Hertel, Sr.
Janet Mansfield
Carol B. Oakley
John Winn

Commissioners David Giffin and David V. Johnson were excused.

George Burgoyne, Resource Management Deputy and Lansing staff were present.

Chairman Opolka thanked Craig Czarnecki, Field Supervisor with the United States Fish and Wildlife Service for the use of their conference room.

Upon motion of Commissioner Hertel, seconded by Commissioner Winn, the minutes of the December 12, 2003 meeting in East Lansing were approved.

Chairman Opolka asked if anyone in attendance wished to provide public testimony at this time; hearing no requests, Chairman Opolka moved to Old Business.

Old Business

Dennis Knapp, Special Assistant to the Director, provided information regarding Senate Joint Resolution F and Senate Bill 915, sponsored by Senators Jason Allen and James Barcia. The Resolution, tie-barred to SB 915, proposes to amend the state Constitution to create a new Waterways Trust Fund. This proposal includes a major shift from the current manner in which waterways projects and department programs are funded.

Project Status Report – Mr. Bill Boik, Department of Natural Resources, provided a handout listing all Grant-In-Aid Mooring Programs, State Harbor Programs, Engineering Studies, Infrastructure Improvements, State Harbor Dredging and State Boat Access Site Projects. He highlighted two of the high profile projects - Cedar River Marina and Whitefish Point.

He stated that Cedar River is on track and will open for business on June 1, 2004. Chairman Opolka asked if a concessionaire had been chosen. Mr. Boik replied that there had been no bidders for the concessionaire contract so the DNR will run the harbor for this boating season. He emphasized that it is the DNR's intention to secure a qualified contractor as soon as possible.

The Chippewa-Ottawa Resource Authority has been working with the DNR at Whitefish Point to provide funding for improvements to the marina. The Authority represents the Bay Mills Indian Community, Grand Traverse Band of Ottawa and Chippewa Indians, Little River Band of Ottawa Indians, Little Traverse Bay Bands of Odawa Indians, and Sault Ste. Marie Tribe of Chippewa Indians.

Boating Access Sites (BAS) – Mr. Boik pointed out two projects from the list of 42 current BAS Projects. Pickerel Lake BAS, in the Pinckney Recreational Area, has been closed until a commercial driveway permit is issued by Washtenaw County Road Commission or an agreement is worked out. The Road Commission closed the BAS because of site safety concerns on the roadway after the DNR redeveloped the parking area. A set of drawings has been completed for the Crystal Lake BAS and DEQ permits have been applied for. A public hearing is scheduled for February 25, 2004 at 7:00 p.m.

Mr. Boik provided the Commission with draft minutes from the City of South Haven's October 28, 2003 Harbor Commission Special Meeting. These minutes were requested by Commissioner Giffin.

Mr. Harold Herta, Parks and Recreation Operations Unit Supervisor, provided the Commission with a copy of a new tri-fold brochure which gives boaters information on how to make reservations at Michigan's State Harbors. Commissioner Winn stated he was pleased to see the brochure and believes the system in which boating reservations are made in Michigan has become a respected and worthwhile tool for boaters.

Standing Committee Reports – Chairman Opolka stated Standing Committee assignments had been made, in accordance with Goal Four of the Waterways Commission Strategic Plan, as follows:

<u>COMMITTEE</u>	<u>WATERWAYS COMMISSIONERS</u>	<u>STAFF</u>
1. Facilities	Giffin, Hertel, Oakley	Boik
2. Operations/Policy	Johnson, Mansfield	Herta
3. Boating Access	Mansfield, Opolka	Boik
4. Public/Governmental Relations	Hertel, Oakley, Winn,	Burgoyne, Boik
5. Finance	Giffin, Johnson, Winn	Herek, Schuett

Chairman Opolka asked that Commissioners review the list and let him know if they have any concerns prior to the next meeting.

K. L. Cool, MDNR Director, provided a progress report on Tri-Centennial State Park and Harbor. The report focused on harbor redevelopment and Phase One of State Park development. Director Cool stated the dedication ceremony is scheduled for Thursday, May 20, 2004 at Tri-Centennial State Harbor in Detroit from 2:00 p.m. – 4:00 p.m. Governor Jennifer Granholm and Detroit Mayor Kwame Kilpatrick will accompany Director Cool on board DNR's new Law Enforcement (LED) boat and will cut a series of flags at the entrance to the harbor as part of the "ribbon cutting" ceremony. Commissioner Hertel will arrange for a secure area for Governor Granholm and Mayor Kilpatrick to board the LED boat.

Commissioner Hertel offered to host the May 21, 2003 Waterways Commission Meeting at the Port Authority office in Detroit.

New Business

FY 05 Capital Outlay – Ms. Vicki Anthes, Parks Planning Section Chief, provided information to familiarize the Commission on Fiscal Year 2004-2005 budget submitted in September 2003 to the Department of Management and Budget. Included in the submittal were line items dealing with Waterways funding. The DNR will provide a list of projects for Grant-in-Aid and state owned facilities that are slated for improvement, but are, as of yet, unfunded with the Commission at future meetings.

Mr. Lowen Schuett, Parks and Recreation Division Acting Chief, provided an update on Lexington Harbor. In 2002, the life of the original 30-year lease reached its end point. Terms of the lease stipulated that the village would lease the land where the harbor is situated to the state and that the state would operate the harbor. Since 2002, the state and the Village of Lexington have been discussing the Village's request to buy the harbor from the state and operate it as their own. An agreement has not been reached, but a transition extension of the lease is in place. For an agreement to be reached, three key points must be factored 1) Net revenues of harbor operation must be committed to reinvestment in the harbor's boating facilities; 2) Appropriate seasonal/transient slip allocations must be consistent with other state harbor systems; 3) A guarantee that the facility remains available to the public in perpetuity. This is especially important because some federal funds were used for harbor construction and the intent must remain true to federal criteria. The original agreement contains a buy out provision if the parties cannot come to an agreement. At this time, Lexington Harbor is off the central reservation system. Mr. Schuett believes that the boating public is becoming concerned with their inability to make reservations.

All variance requests were presented by Harold Herta.

The City of Harbor Beach requested permission to permanently assign 57 of 114 slips at their Harbor Beach Municipal Marina for seasonal use. The City of Harbor Beach also requested that the use of two of the 57 seasonal slips to be permanently assigned for charter boats.

Upon motion by Commissioner Winn, seconded by Commissioner Hertel, it was unanimously

RESOLVED, that the Waterways Commission does hereby approve the City of Harbor Beach's request to allow the use of 57 slips as seasonal slips at the Harbor Beach Municipal Marina for five years with two of the 57 seasonal slips assigned for charter boats. At the end of the five years, the City is required to submit a report on the seasonal slip activity to the Michigan Waterways Commission for review. This report must show actual numbers, percentages of use, as well as any other detail specified by staff to allow a thorough evaluation.

The City of Alpena requested three variances. Eric Cline, City of Alpena Assistant City Manager, appeared to explain the report submitted to the Commission regarding each variance.

1. The City of Alpena requested a variance for permission to convert 41 transient slips to seasonal slips for a period of five (5) years at their City Marina with fees being assessed at Rate Area Two. Mr. Cline stated the City of Alpena has a stated goal to develop Alpena as a destination point. The number of boaters has been dropping, and while it is not the City's policy to turn away transient boaters, they have a need to rely on seasonal boaters. Commissioner Winn stated he believes there is a philosophical problem between the Michigan State Waterways Commission's mission and the local entity's mission – which appear to be at cross-purposes. The Michigan State Waterways Commission's mission is to provide safe public access to the Great Lakes and inland waters of the State of Michigan. In this case, because Alpena is located 14 miles in from the Lake Huron, most boaters end up going to Presque Isle, Harbor Beach or Rogers City. Commissioner Winn suggested that perhaps the City needs to consider ownership of the marina.

Chairman Opolka suggested that the City of Alpena work with DNR staff to clarify exact numbers and goals and bring this issue to a Waterways Commission meeting in the future.

2. The City of Alpena requested a 20 percent reduction in the transient fee rate for the City Marina for the next five years.
3. The City of Alpena requested approval to permit the broadside dockage of two glass-bottom excursion boats at the City Marina for the next five years.

Upon motion by Commissioner Winn, seconded by Commissioner Oakley, it was unanimously

RESOLVED, that the Waterways Commission does hereby approve the City of Alpena's request for a 20 percent reduction in the transient fee rate for the City Marina for the 2004 boating season only. In addition, the Waterways Commission does hereby approve the City of Alpena's request to permit the broadside dockage of two glass-bottom excursion boats at the City Marina for the 2004 boating season

only. These approvals are contingent upon the City submitting an annual revenue report and daily log summary for 2004 at the end of the boating season. This report must show actual numbers, percentages of use as well as any other detail specified by staff to allow a thorough evaluation.

The City of Detroit, through the City's Recreation Department, requested a 20 percent variance in the seasonal rate for the Erma Henderson Marina for the 2004 boating season. Mr. David Miller, City of Detroit Parks and Recreation Division Manager, and Ms. Marsha Everhart, City of Detroit Marine Operations Supervisor, appeared before the Commission requesting this variance. Mr. Miller stated that the occupancy rate at Henderson Marina has been 60 percent since their major renovation of a few years ago. Their goal is to have Henderson be self supporting and they feel they could do so by lowering rates to attract more boaters. Another factor is the need to recoup and recover the cost of the renovation to the marina. He stated that Henderson marina is not in a competitive status with local private marinas. Mr. Boik explained how marina rates are set in each local setting. Discussion ensued regarding the number of slips at the marina, the number reserved for transient boaters and the management practices of the marina since the renovation.

Upon motion by Commissioner Winn, seconded by Commissioner Hertel, it was unanimously

RESOLVED, that the Waterways Commission does hereby approve the City of Detroit's request for a 20 percent variance in the 2004 seasonal rate for the Erma Henderson Marina. This approval is contingent upon the City submitting an annual revenue report and daily log summary for 2004 at the end of the boating season. This report must show actual numbers, percentages of use as well as any other detail specified by staff to allow a thorough evaluation.

The City of New Buffalo requested permission to charge Commercial Boat Launching fees at double the normal launch rate. The City made this request due to the increase in use by commercial boats at their launching facilities. The double rate is consistent with the amount charged for Commercial Slip Use at Grant-In-Aid Marinas.

Upon motion by Commissioner Winn, seconded by Commissioner Mansfield, it was unanimously

RESOLVED, that the Waterways Commission does hereby approve the City of New Buffalo's request to charge Commercial Boat Launching fees at double the normal launch rate.

The City of Saint Clair requested a variance for a reduced rate for extended stays of transient boaters during the mid-week for the 2004 boating season at Saint Clair Boat Harbor. This request allows the charging of one night at the regular rate and getting the second night at half-price. This request was granted by the Michigan State Waterways Commission for the 2003 season. Commissioner Oakley asked for more information

regarding what constituted “mid-week”. Commissioner Winn commended the City of Saint Clair for a novel marketing approach; however, he wished a City representative had been in attendance to answer Commission questions. Upon motion by Commissioner Oakley, seconded by Commissioner Mansfield, it was unanimously

RESOLVED, that the Waterways Commission does hereby approve the City of Saint Clair’s request for a program to pay one night, get the second night at half-price for midweek transient boaters for the 2004 boating season. This approval is contingent on the City of Saint Clair submitting a report to the Commission of the mid-week boating for the years 2000-2004 after the 2004 boating season. In addition, this approval is contingent upon the City submitting an annual revenue report for 2004 at the end of the boating season. This report must show actual numbers, percentages of use as well as any other detail specified by staff to allow a thorough evaluation.

The City of Rogers City requested permission to allow charter boats to charter out of the marina from August 16 through August 23, 2004 for the Salmon Showdown tournament sponsored by the Great Lakes Professional Anglers Association. Mayor Beach Hall reported that the 2003 event was well attended and well received and they anticipate the 2004 tournament will attract additional participants. Upon motion by Commissioner Winn, seconded by Commissioner Oakley, it was unanimously

RESOLVED, that the Waterways Commission does hereby approve the City of Rogers City’s request to allow charter boats to charter out of the Rogers City Municipal Marina at a double transient rate from August 16 though August 23, 2004.

The City of Traverse City requested a variance for permission to be permanently assigned the higher premium rate for transient boaters at the Duncan L. Clinch Marina. The City also requested a variance increase of 10 percent over the premium rate for seasonal boaters during the 2004 season. Commissioner Winn commended the City for approaching the Commission with these requests. Commissioner Hertel asked if Traverse City was on the Central Reservation System and Mr. Herta replied that the DNR is working with the City to place them on the system.

Commissioner Winn inquired about the condition of the old boat launch in Traverse City. Mr. Bob Cole, City of Traverse City, stated they have plans to work on the site once the ice is out. In response to Commissioner Winn’s question, Mr. Cole said the jetty will be extended by just a little.

Upon motion by Commissioner Winn, seconded by Commissioner Hertel, it was unanimously,

RESOLVED, that the Waterways Commissioner does hereby approve the City of Traverse City’s request for a permanent premium transient rate. In addition, the

Commission approves the 10 percent increase over the premium seasonal rate during the 2004 boating season.

The City of Sault Ste. Marie requested three variances. Spencer Nebel, City of Sault Ste. Marie City Manager, appeared to explain the report submitted to the Commission regarding each variance.

1. The City requested a variance to increase the number of seasonal slips from 12 to 20 for George Kemp Downtown Marina through the 2007 season. Upon motion by Commissioner Hertel, seconded by Commissioner Winn, it was unanimously

RESOLVED, that the Waterways Commission does hereby approve the City of Sault Ste. Marie's request for an increase in the number of seasonal slips from 12 to 20 for the 2004 boating season only. This approval is contingent upon the City submitting an annual revenue report and daily log summary for 2004 at the end of the boating season. This report must show actual numbers, percentages of use as well as any other detail specified by staff to allow a thorough evaluation.

2. The City requested a variance for a weekly rate of \$3.00 per foot for no more than five boats per week for individuals who want to store their boat in a slip at the George Kemp Downtown Marina through the 2007 season, provided that sufficient space exists for transient boaters. Upon motion by Commissioner Winn, seconded by Commissioner Mansfield, it was unanimously

RESOLVED, that the Waterways Commission does hereby approve the City of Sault Ste. Marie's request of a variance for a weekly rate of \$3.00 per foot for no more than five boats per week for individuals who want to store their boat in a slip at the George Kemp Downtown Marina through the 2004 season only, provided that sufficient space exists for transient boaters. This approval is contingent upon the City submitting an annual revenue report and daily log summary for 2004 at the end of the boating season. This report must show actual numbers, percentages of use as well as any other detail specified by staff to allow a thorough evaluation.

3. The City requested a variance for a 20 percent reduction from the 2002 rates (same as 2004 rates) for the Charles T. Harvey Marina for the 2004 season. The Waterways Commission voted in April 2002 to allow the Harvey marina to be operated as a seasonal marina only, with all transient boaters sent to the Kemp Marina. Therefore, the Harvey Marina no longer offers boaters amenities and can be operated at a reduced rate. Commissioner Oakley asked if the one private marina owner in the area objected to this variance request. Mr. Nebel stated that the private marina has a low water level, attracts only small boats and the marina owner is supportive of this request. Upon motion by Commissioner Winn, seconded by Commissioner Oakley, it was unanimously

RESOLVED, that the Waterways Commission does hereby approve the City of Sault Ste. Marie's request for a 20 percent reduced seasonal rate at the Charles T. Harvey Marina. This approval is contingent upon the City submitting an annual revenue report and daily log summary for 2004 at the end of the boating season. This report must show actual numbers, percentages of use as well as any other detail specified by staff to allow a thorough evaluation.

Mr. James Sarna, Brighton, commended the Waterways Commission for the many fine harbors and marinas in Michigan which were created or improved using Waterways funding. He stated he has been an inland lake boater all his life and just within the last few years has enjoyed Great Lakes boating.

Mr. Sarna has been on a waiting list for many years at Elk Rapids. He was notified in January, 2004 that his name was at the top of the list and that a slip had become available. Mr. Sarna turned down the Elk Rapids slip as he had renewed his slip in Ludington in November, 2003. He felt that he could not back out of his plans as he made reservation arrangements with another boater in Ludington. Mr. Sarna expressed his desire for a uniform reservation system with a date certain for offering and making slip reservations. He feels that such a system would have averted the conflict he experienced.

Chairman Opolka asked Mr. Boik if there were any stipulations regarding slip reservations for Grant in Aid facilities, to which Mr. Boik replied there were no such regulations.

Mr. Beach Hall, Rogers City, stated that from operational standpoint, the harbormaster needs to send out a letter to current seasonal slip holders asking if they plan to renew. Rogers City asks for a reply before the end of December; then if there are slips available, they are offered to boaters who are on the waiting list. Mr. Hall felt that January was not an unrealistic time to offer slips to waiting customers.

Commissioner Oakley left the meeting at 11:25 a.m.

Mr. Sarna asked about slip lengths and how far out a boat can extend in the slip. Chairman Opolka stated there are regulations concerning how far a boat can extend in its slip and the enforcement of this regulation is the responsibility of the harbormaster.

Chairman Opolka stated that the Commission appreciated Mr. Sarna bringing his concerns to their attention, but the Commission is not empowered to resolve either of his concerns.

The meeting was adjourned at 11:35 a.m.

As currently scheduled, the next Waterways Commission meeting will be held on Friday, April 16, 2004 at 9:00 a.m. in St. Joseph, Michigan.